



State of New Jersey

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Medicaid Inspector General identifies \$2.9 million owed the State of New Jersey from Medicaid pharmacy provider

Federally excluded Pharmacist fills New Jersey Medicaid prescriptions despite prohibition.

The Investigations Unit of the Office of the Medicaid Inspector General (OMIG), after a thorough review of billings and payments made from October 1, 2007 through May 31, 2009 revealed that Anthanasios Mastrokostas, R.Ph. (a.k.a. Athanasios Mastrokostas) filled Medicaid and PAAD prescriptions at a CVS Pharmacy while federally prohibited.

Mr. Mastrokostas was previously excluded by the Office of the Inspector General, United States Department of Health and Human Services, effective September 20, 2005, for a period of 13 years because of a prior Medicaid fraud conviction in New York. This exclusion meant that all items and services provided by Mr. Mastrokostas were not reimbursable under Title XVIII of the Social Security Act or by any State health care program.

CVS Pharmacy failed to investigate whether Mr. Mastrokostas was a federally excluded pharmacist and allowed him to work as a pharmacist filling these prescriptions even though Mastrokostas indicated on his employment application that he had been convicted of a crime. CVS Pharmacy failed to follow its own Corrective Action Plan regarding prior convictions and exclusions and is therefore also responsible for the total amount billed as a result of this violation.

Because Mr. Mastrokostas and CVS Pharmacy are jointly and severally liable for these false claims, the OMIG has put both on notice that a recovery will be sought from both Mr.

Mastrokostas and CVS Pharmacy in the amount of \$2,940,554.12 including interest, treble damages, and false claims penalties.

Mark Anderson, the Medicaid Inspector General, stated, "Mr. Mastrokostas' attempt to conceal his exclusion from his employer and CVS' neglect are clear examples of fraud in our Medicaid system. We hope this sends a message to other Medicaid providers that fraud and deception will not be allowed to continue. In these tough economic times, we need to weed out the fraudsters to ensure that every Medicaid dollar is spent appropriately."